9 FEBRUARY 1979

Defense Seeks to Establish Link

U.S. Envoy's Testimony Puts CIA Twist in Letelier Case

By Jeremiah O'Leary Washington Star Staff Writer

A high U.S. diplomat has told the Orlando Letelier murder trial that the CIA's deputy director was in Paraguay shortly before special U.S. visas were sought for two Chilean secret police-

U.S. Ambassador to Chile George Landau testified yesterday that the former deputy director of the CIA, Vernon Walters, had been in Paraguay shortly before the U.S. Consulate in Asuncion was asked by a high Paraguayan official to issue the special visas to two Chilean officers who had been given Paraguayan passports.

Defense lawyers for three anti-Castro Cuban exiles being tried in the case are attempting to establish that the CIA was responsible for the carbomb murder of Letelier, a former Chilean diplomat.

Landau, who was ambassador to Paraguay in 1976, said Walters had met with Conrado Papelardo, chief of protocol to Paraguayan President Alfredo Stroessner, during his visit.

Landau said that in July 1976, after Walters had left, he had a "bizarre conversation" with Papelardo. The official, he said, told Landau that the Chilean government wanted to send two army officers to the United States and they would carry Paraguayan documents to be less conspicuous.

EARLIER TESTIMONY has claimed these Chileans were DINA agents Michael V. Townley, the chief prosecution witness who has pleaded guilty to a lesser charge in the case, and Capt. Armando Fernandez

5 10 1 27 0 1 1 To

"Papelardo told me the Paraguayan government had decided to give them the passports and that he had told them to contact Walters in the U.S. He said that would give Walters full conported that Landau told FBI investigators he was informed that Gen. Augusto Pinochet, head of the Chigovernment, personally requested Paraguay to provide false passports.

(According to both government and legal sources familiar with the case, Landau told the FBI a top official in the Paraguyan government had told him that Pinochet called Stroessner requesting the false passports for the two Chilean agents.

(Several persons who have seen the summary of the FBI interview with Landau said that in it he quoted Papalardo as saying the request had comedirectly from Pinochet.

(SOURCES SAID it was at Landau's request that lawyers for both the defense and the prosecution yesterday refrained from pressing him to repeat in public his earlier statement to the FBI, The Times concluded.)

Landau said he tried to call Walters without success and then permitted the U.S. visas to be issued. But he said he took the precaution of sending the passport photos used by the two Chilean agents to Washington and then sent Walters a full written report on the incident.

On July 27 or 28, 1976, Landau said, he received a message from CIA that Walters was no longer with CIA and that Director George Bush had received the report from the U.S. Embassy. Landau said he heard from Walters on Aug. 4 that he knew nothing of the matter and did not want to get involved in it. At that, Landau said he revoked the visas and demanded. that the passports be returned to him.

: WHEN THE PASSPORTS were received, Landau noted that the photos of the Chilean agents had been removed from the passports. But Landay added that he had previously had trol over their visit," Landau testified. the passport photos copied and they (The New York) Times today re- were in the State Department's files.

ARTICLE APPEAR ON PAGE

NEW YORK TIMES 9 FEBRUARY 1979

Pinochet Is Said to Have Sought Passports for Slayers

By DAVID BURNHAM Special to The New York Times

WASHINGTON, Feb. 8 -A senior United States diplomat has told investigators he was informed that President Augusto Pinochet of Chile had personally requested Paraguay to provide false passports for two men later charged with the murder of Orlando Letelier, a high official in the Government of the late Chilean President, Salvador Allende Gos-

According to Government and legal sources familiar with the investigation into the assassination, the senior American diplomat, George W. Landau, informed the Federal Bureau of Investigation that a top aide in the Paraguayan Government had told him that President Pinochet called Alfredo Stroessner, the Paraguayan President, requesting false passports for the two Chilean agents. Mr. Landau, who is now Ambassador to Chile, was Ambassador to Paraguay at the time of the reported passport incident.

Mr. Landau testified today during the trial of three Cuban exiles charged in connection with the Letelier murder. He said only that he had been informed that the request for speedy action on the pass-ports had come from a "high level" of the Chilean Government.

But several people nwho have seen the summary of the F.B.I. interview with Mr. Landau said that in it, he had quoted Conrado Papalardo, a key adviser to President Stroessner, as saying the request had come directly from General Pinochet.

An Agreement Between Lawyers

Sources here said that at Mr. Landau's request lawyers for both the defense and the prosecution refrained today from pressing him to repeat in public his earlier statement to the F.B.I.

Mr. Letelier, who served in major Cabinet ministries and as Ambassador to Washington under Dr. Allende's Marxist. Government, was killed in Washington in September 1976 when a bomb exploded in the car he was driving. Ronni Moffitt, an assistant, also died.

Charged in the killing was Gen. Manuel Contreras Sepúlveda, the head of the Chilean secret police, two other Chilean se-

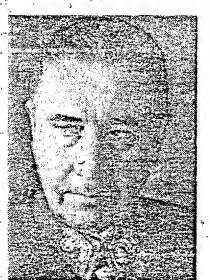
small anti-Castro organization based in-New Jersey and Florida, the Cuban Nationalist Movement.

The prosecution's major witness in the case against the three Cubans now on trial is Michael Vernon Townley, a selftaught American electronics agent, who said he killed Mr. Letelier on the direct orders of the Chilean secret police. In return for testifying, Mr. Townley was allowed to plead guilty to the reduced charge of conspiring to kill a foreign official and could be released from prison in about three years.

Unsuccessful Trip to Paraguay

According to both the indictment and the testimony of Mr. Townley, he and Capt. Armando Fernández Larios, an official in the Chilean secret police, flew to Paraguay on July 20, 1976, in what proved to be an abortive attempt to obtain Paraguayan passports under the aliases Alejandro Romeral and Juan Rose Williams.

In today's testimony, Mr. Landau said that Mr. Papalardo had informed him



Geo. Augusto Pinochet

cret police officials and members of a that the two men were career army officers whom the Chilean Government wanted to send to the United States to investigate whether several corporations established by the Allende regime might be used for "anti-Chilean purposes or terrorist purposes."

> Mr. Landau said that after Paraguay had issued the requested false passports to the two men, he had become suspicious of the entire transaction and sent photographic copies of the documents to Central Intelligence Agency headquarters.

> On Aug. 4, 1976, Mr. Landau testified, he received a message from Lieut. Gen. Vernon A. Walters, the now retired deputy director of the C.I.A, saying that the agency was unaware of the two men.

> "I called Mr. Papalardo and told him to get the passports back — that the visas were revoked," Mr. Landau said.

Further Aliases Used

When the visas were not forthcoming, Mr. Townley had testified earlier, he and Captain Fernandez returned to Chile. On Aug. 26, Captain Fernandez allegedly traveled to the United States under a false Chilean passport in the name of Armando Faundez Lyon to begin surveil-lance of Mr. Letelier. On Sept. 9, Mr. Townley testified, he followed Captain Fernandez to the United States under the alias of Hans Peterson Silva.

In his opening statement two weeks ago, the prosecutor, Eugene M. Propper, said he would prove that both the Government of Chile and its secret police were directly involved in the murder of Mr. Letelier.

Though Ambassador Landau was on the prosecution's proposed witness list, it was Paul Goldberger and Lawrence Dubin, the defense lawyers, who called him to testify in the case, apparently in the hope that Mr. Landau's message from General Waiters might link Mr. Townley with the C.I.A. The defense charges that the C.I.A., not the Cuban exiles, were responsible for the death of Mr. Letelier.